

13398-C
13398-D

LAW OFFICES

ALVORD AND ALVORD

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800 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

20006-2973 RECORDATION NO. 13398-C Filed 1325

OF COUNSEL
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MAY 10 1988 10 15 PM

INTERSTATE COMMERCE COMMISSION TELEX
40367 A AND A.

RECORDATION NO. 13398-D
MAY 10 1988 10 15 PM
INTERSTATE COMMERCE COMMISSION

May 10, 1988

No. 8-131A051

Date MAY 10 1988

Fee \$ 26.00

ICC Washington, D. C.

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two copies each of 1) a Security Agreement dated as of December 1, 1987, a primary document, and 2) a Letter Agreement dated as of December 1, 1987, a secondary document.

The enclosed documents relate to the Conditional Sale Agreement dated as of December 1, 1981 between EMCOB, Inc. and Jefferson-Pilot Life Insurance Company (formerly Jefferson Standard Life Insurance Company), which was duly filed and recorded on December 30, 1981 at 2:25 p.m. and assigned Recordation Number 13398.

The names and addresses of the parties to the enclosed documents are:

EMCOB, Inc.
1 West Market Street
York, Pennsylvania 17401

Jefferson-Pilot Life Insurance Company
(formerly Jefferson Standard Life Insurance Company)
101 N. Elm Street
Greensboro, North Carolina 27401

A description of the railroad equipment covered by the enclosed documents is:

Seventy-five boxcars, CPAA 204614 - CPAA 204688.

C. T. Kappler

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
May 10, 1988
Page Two

Also enclosed is a check in the amount of \$26 payable to the order of the Interstate Commerce Commission covering the required recordation fees.

Kindly return stamped copies of the enclosed documents to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

A short summary of the enclosed documents to appear in the Commission's Index is:

Security Agreement and Letter Agreement, each dated as of December 1, 1987, between EMCOD, Inc. and Jefferson-Pilot Life Insurance Company, covering 75 boxcars, CPAA 204614 - CPAA 204688.

Very truly yours,


Charles T. Kappler

Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

5/10/88

OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/10/88 at 12:55pm, and assigned recordation number(s). 13398-C & 13398-D

Sincerely yours,

Narta R. McLee

Secretary

Enclosure(s)

MAY 10 1988 12:15 PM

13398-C

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of December 1, 1987, between JEFFERSON-PILOT LIFE INSURANCE COMPANY, a North Carolina corporation, formerly known as Jefferson Standard Life Insurance Company, with an office at 101 N. Elm Street, Greensboro, N. C. 27401 ("Jefferson"), and EMC OB, INC., a Delaware corporation, with an office at 1 West Market Street, York, Pennsylvania 17401 (the "Company").

W I T N E S S E T H

Pursuant to a Conditional Sale Agreement dated as of December 1, 1981 between Jefferson and the Company (as amended through and including the date hereof, the "Conditional Sale Agreement"), Jefferson sold to the Company, on a conditional sale basis, seventy-five (75) 70-ton boxcars (the "Cars"), and the Company is obligated, subject to the terms thereof, to pay to Jefferson the Conditional Sale Indebtedness (as such term is defined in the Conditional Sale Agreement);

Pursuant to an Agency Agreement (the "Agency Agreement") dated as of December 1, 1987 between the Company as owner, and the Maryland and Pennsylvania Railroad Company, a Maryland and Pennsylvania corporation, as agent (the "M&P"), the Company has granted to the M&P certain rights with respect to the Cars, including the right to subject the Cars to a certain lease, dated as of December 1, 1987, between the M&P and Canadian Pacific Limited (the "CP Lease"), and the M&P has, among other things agreed to make certain payments to the Company.

Pursuant to a Security Agreement dated as of December 1, 1987, between the M&P and Wilmington Trust company (the "Disbursing Agent"), the M&P has granted to the Disbursing Agent, as agent for, the Company and various other owners of cars included in the CP Lease, a security interest in all of the Company's right, title and interest in the CP Lease; and

Pursuant to an Intercreditor Agreement dated December 1, 1987 among the Company, the Disbursing Agent, the M&P and various other owners referred to therein (the "Intercreditor Agreement"), the parties thereto provided for the manner of the exercise of the security interest held in the CP Lease and the payment, under certain circumstances, of revenues arising from the CP Lease.

NOW THEREFORE, the parties hereto agree:

(1) As an inducement to Jefferson to execute an amendment, dated the date hereof, to the Conditional Sale

Agreement (and in consideration thereof), the Company hereby sells, assigns, transfers, pledges and sets over unto Jefferson the Company's right, title and interest in and to

- (i) the Agency Agreement,
- (ii) the Intercreditor Agreement, and
- (iii) to the extent of its beneficial interest therein, the Security Agreement (collectively, the "Pledged Agreements")

and in and to payments to become due and payable from time to time under the Pledged Agreements, and the proceeds thereof, as collateral security for the payment and performance of all obligations and duties of the Company to Jefferson arising under or by virtue of the Conditional Sale Agreement.

(2) Upon the occurrence and during the continuance of any Event of Default (a such term is defined in the Conditional Sale Agreement) by the Company (but not before), unless such Event of Default shall have been waived by Jefferson, Jefferson shall have the right, (i) upon giving the M&P written notice of such default, but without notice to or consent of the Company, to instruct the M&P to pay to Jefferson all amounts payable to the Company pursuant to the Agency Agreement and (ii) upon giving the Disbursing Agent written notice of such default, but without notice to or consent of the Company, to instruct the Disbursing Agent to pay to Jefferson all amounts payable to the Company pursuant to the Intercreditor Agreement.

(3) The parties hereto acknowledge that upon execution of this Agreement all of Jefferson's rights under the Trust Agreement dated as of December 1, 1981 among the Company, Jefferson and LaSalle National Bank shall terminate.

IN WITNESS WHEREOF, the parties have duly executed this lease the day and year first above written.

ATTEST:

JEFFERSON-PILOT LIFE
INSURANCE COMPANY

pm *John S. Egan*
Secretary

By: *John C. Jordan*
Title: Vice President

ATTEST

EMCOB, INC.

James J. Connolly
Asst. Sec.

By: *Joseph W. White*
Title: Controller & Secretary

STATE OF ^{WORTH CAROLINA} ~~NEW YORK~~)

GUINEPORT

On the ^{40th} day of March, 1988, before me personally appeared John C. Ingram to me personally known, who, being by me duly sworn, says that he is the Vice President of JEFFERSON-PILOT LIFE INSURANCE COMPANY, one of the parties to the foregoing Security Agreement, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

MY COMMISSION EXPIRES JUNE 23, 1990

STATE OF ~~NEW YORK~~ ^{Pennsylvania})

SS.:

On the 24th day of February, 1988, before me personally appeared Joseph W. Wilks to me personally known, who, being by me duly sworn, says that he is the Controller/Secretary of EMCOB, INC., one of the parties to the foregoing Security Agreement, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

ANNMARIE WILECZEK, Notary Public

York, York County, Pennsylvania.

My Commission Expires April 16, 1990